

Governor Haley Barbour
Remarks to the Mississippi School Boards Association
October 31, 2006

Education is the number one economic development issue and the number one quality of life issue in our state. It is rightly the number one priority of state government.

That priority has been reflected in the budgets for our K-12 public schools.

- This school year, teachers are making an average of 30% more than they were six years ago, after two consecutive 8% increases in teacher pay during my Administration.
- This school year, spending in our public schools from federal, state, and local sources is estimated to be between \$7,600 and \$7,800 per student.
- Since I have been Governor, state support for our K-12 school districts through the Mississippi Adequate Education Program has increased \$323 million, or 19%.
- The increased support for our school districts is reflected by the decisions school boards have made at the local level. Since I have been Governor, fewer school districts are raising local property taxes. The year the state came the closest to “fully funding” the MAEP formula, more school districts raised their taxes than in either one of the last two years. In the budget year before I took office (school year 2003-2004), 94 school districts raised their taxes. The last two years, that number dropped to 77 and 78 respectively. We don’t have all the

data yet for the current school year (2006-2007), but all reports indicate that the number of districts raising their taxes will be less than when MAEP was “fully funded” by the 2003 Legislature.

We have also worked with teachers, principals, school superintendents, community leaders, and Legislators to enact reforms so that we can get better results for the money we spend. Thanks to the UpGrade Education Reform Act which the Legislature passed last Spring:

- This school year, for the first time, local school leaders are free to make innovative decisions about how to run their schools without checking with officials in Jackson first because the Legislature adopted “Home Rule” for all school districts.
- Because the most important ingredient to a successful classroom is a quality teacher, we expanded our teacher recruitment and retention efforts by allowing automatic certification of any teacher meeting the federal No Child Left Behind “highly qualified teacher” definition; authorizing a plan to pay teachers based on performance; authorizing higher pay for teachers in hard to staff subjects and districts; and expanding alternative certification programs.
- For the first time, every student will have the opportunity to earn college credit in high school through expanded dual credit and dual enrollment programs, more AP classes, and through the Mississippi Virtual Public School.
- To help put discipline in every classroom, the Legislature authorized financial rewards for experienced teachers who serve as mentors to other middle school teachers.

- And, for the first time, the state of Mississippi is honestly acknowledging our high dropout rate and is implementing plans to address it.
- We are also starting to embrace lifelong learning in Mississippi. During the Musgrove Administration, the community colleges' budget was cut \$32 million (16%) and the universities budget was cut \$45 million (7%). Since I have been Governor, support for Community Colleges has increased 12% and including a doubling of state support for workforce training, the combined increase is 29%. Support for universities has increased more than 15%.

Working with the Legislature, I know we will build on the positive steps that have been made in the last 2 ½ years. This morning, I was with the Legislative Budget Committee to adopt the revenue estimate that will guide us as we develop the budget for the 2007-2008 school year. We approved an estimate that predicts revenue growth of \$250 million in our state's General Fund over the current fiscal year.

That is encouraging news. While there is still uncertainty from Katrina, our economy is growing and we are increasing revenue without raising anybody's taxes. We have more taxpayers with more taxable income and that means more revenue. Last year, we finished digging out of our \$720 million budget hole from the year I ran for Governor. We had a small surplus and began setting aside a rainy day fund, as called for by state law.

A \$250 million increase in revenue would make you feel optimistic about our budget...until you remember the State Board of Education has asked for the first \$360 million of that \$250 million increase. The universities have

asked for a \$250 million increase. The community colleges are asking for a \$145 million increase.

In all K-12 and higher education are requesting \$755 million in increased spending for FY 08, while revenue is going up only \$250 million. Obviously, we have to make some choices.

Of the State Board of Education's request, \$158 million is to "fully fund" the MAEP formula. A \$158 million increase would be 63% of the entire projected general fund revenue growth – revenue growth that also has to cover public safety, health care, and higher education needs.

My budget recommendation to the Legislature will increase funding for K-12 public schools by more than the \$158 million the State Board of Education has requested for the MAEP formula. But I think it would be a mistake for all of that increase to go to the MAEP formula. I do not believe that would be the most effective way to use an additional \$158 million to improve our public schools.

With the increase I am proposing for our K-12 public schools, state support for K-12 will have increased by more than \$480 million during my Administration, an increase of more than 24%. This would be the largest increase in state spending for our K-12 public schools during any four year term of any Mississippi Governor.

- Last year, Representative Cecil Brown and Senator Mike Chaney developed a plan to phase in full-funding of the MAEP formula over four years. My budget for the upcoming fiscal year will follow that bipartisan plan which was overwhelmingly approved by the

Legislature and which I signed into law this spring, increasing direct support for the school districts through MAEP by \$65 million.

- By following this bipartisan phase-in plan, we can afford to give, and my budget will provide, our public school teachers a 3% across-the-board teacher pay raise. With this pay raise, the average salary for a public school teacher will approach \$43,000.
- In addition to this \$65 million increase in direct support through MAEP and a 3% teacher pay raise, my budget would pay for 100% of the increased costs for health insurance premiums and retirement plan contributions for teachers and other school district employees – an increased cost to state taxpayers of approximately \$20 million.
- As I have done every year since I became Governor, I will support full funding of the high-growth formula to help those school districts that are growing at an exceptionally fast rate. In the current school year, after two years of trying, we are only partially funding the high-growth component of the MAEP formula for the first time. My budget will include the \$19 million that is needed to fully fund the high growth school districts.
- My budget will continue to support our classroom teachers by more than doubling the amount of funding for classroom supplies, funding the full request for the National Board Certified Teacher program, and setting aside \$2 million to pay more to experienced middle school teachers who serve as mentors to new teachers.
- If we improve the health of our school children by keeping them physically active, they will be more ready to learn and less likely to cause discipline problems. My budget will include \$2 million to

provide the training support to our teachers so that every elementary student can have 30 minutes of physical activity every day.

- To help address our state's unacceptably high dropout rate, I will include the funding that State Superintendent Hank Bounds requests for his plan to redesign our high schools. I will also include an extra \$500,000 for the Jobs for Mississippi graduates program to pilot its program in 10 middle schools.
- In addition to the more than \$158 million increase I will propose for K-12, my budget will include \$5 million for early childhood development initiatives to help our kids be ready to learn when they begin school. Since 80% of our four year olds are already being served by child care centers, Head Start, or pre-kindergarten, we should improve the infrastructure which is already in place by including more educational content.

These are some of the items I will include in a balanced budget that will put our state on solid financial footing with a growing rainy day fund, after being in a \$720 million budget hole just three years ago. We can do this while increasing K-12 funding by 7% next year. If the Legislature accepts my budget, state funding for K-12 will go up more than \$480 million in four years, the largest increase in any Governor's four year term ever in Mississippi history.

The steps we have taken in the last 2 ½ years and the steps we will take in the upcoming legislative session will improve the results we get in the classroom for years to come. After all, that is how any politician's commitment to education should be judged, not by the amount of money he's willing to spend. Even though under my Administration K-12 spending

will increase at a record rate, the test is what are the results that politician demands and gets for our children.

It is most appropriate that I be with you when I offer these proposals, because you are where the rubber meets the road in improving the lives of our children. You, and the people who work for you - administrators, principals, and teachers – are working every day to improve the lives of our 470,000 children who are in public